

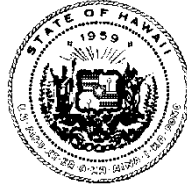
State of Hawaii
Department of Human Services
Benefit, Employment, & Support Services Division
Child Care Program Office

Request for Proposals

HMS 302-16-01-S Application/Payment Processing For DHS Child Care Subsidies

March 1, 2016

Note: *It is the applicant's responsibility to check the public procurement notice website, the request for proposals website, or to contact the RFP point-of-contact identified in the RFP for any addenda issued to this RFP. The State shall not be responsible for any incomplete proposal submitted as a result of missing addenda, attachments or other information regarding the RFP.*



STATE OF HAWAII
DEPARTMENT OF HUMAN SERVICES

P.O. Box 339
Honolulu, Hawaii 96809-0339

March 1, 2016

MEMORANDUM

TO: All Interested Applicants

FROM: Rachael Wong, DrPH, Director

SUBJECT: **REQUEST FOR PROPOSALS (RFP) - HMS 302-16-01-S;
APPLICATION/PAYMENT PROCESSING FOR DHS CHILD CARE SUBSIDIES**

The Department of Human Services (DHS), Benefit, Employment and Support Services Division (BESSD), Child Care Program Office (CCPO), seeks to purchase the services listed above and described in the attached RFP. This is to assist and support the DHS by engaging in the following activities throughout the State of Hawaii: provide DHS child care application materials, including provider forms; assist families to complete the child care applications, as needed; accept application forms, verify documents, process the applications within 30 days of receiving the completed applications; interview and determine whether families are eligible or ineligible to participate in the child care subsidy program; create case folders for the materials for each family; mail notices using established DHS rules, policies, and procedures, including official departmental forms; enter the families' child care information into the DHS electronic systems; calculate and authorize payments for eligible families, using the DHS rules and electronic systems; receive reports of changes in the families' situations that might affect eligibility, and take appropriate action; initiate the required background check process for the license-exempt child care providers selected by the eligible families; and establish the families' eligibility status every six months. In addition, DHS requires documentation of these activities. The estimated monthly caseload is 7,500 families Statewide with a minimum of approximately 1000 monthly applications received statewide.

The initial contract term will be from July 1, 2016 – June 30, 2017. The State, at its option, may extend this Agreement in writing, for four (4) additional State fiscal year periods, not to exceed June 30, 2021. The DHS will award one contract under this RFP.

The RFP provides information to assist applicants in the preparation of proposals and a budget, including: (1) a description of the services sought; (2) the requirements to be met by the provider; (3) the criteria by which qualifying proposals shall be rated; and (4) the criteria for monitoring/evaluating the services. Applicants are to address all parts of the RFP. Proposals shall be mailed and postmarked by the United States Postal Service on or before **April 11, 2016** or hand delivered (including courier mail) no later than 4:30 p.m., Hawaii Standard Time (HST), on **April 11, 2016**,

to DHS-Child Care Program Office at 820 Mililani Street, #606, Honolulu, HI 96813. All mail-ins postmarked after 12:00 midnight including courier mail later than 4:30 p.m., Hawaii Standard Time (HST), on **April 11, 2016** or hand delivered after the **April 11, 2016 deadline** will not be accepted.

Additionally, interested persons from the neighbor islands are invited to participate through either video conferencing or telephone conference at the following sites:

East Hawaii:

DHS/BESSD, Central Hilo Unit,
1990 Kinoole Street, Suite 109
Hilo, Hawaii 96720

West Hawaii:

DHS, BESSD, North Kona 2 Unit, Kona Center
75-5722, Hanama Place, Rm. 1105
Kailua-Kona, Hawaii 96740

Kauai:

DHS, BESSD, South Unit, Dynasty Court
4473 Pahee Street, Suite G
Lihue, Hawaii 96766

Maui:

DHS, BESSD, Central Maui Unit
Waiehu Beach Center
270 Waiehu Beach Road, Suite 107
Wailuku, Hawaii 96793

All prospective applicants are encouraged to attend the orientation.

The BESSD program staff will conduct an **orientation** to review the RFP requirements on **Wednesday, March 9, 2016 from 1:30 p.m. to 3:30 p.m. HST, at 820 Mililani Street, #615, Honolulu, Hawaii.** All prospective applicants are encouraged to review the RFP closely and attend the orientation. Inquiries regarding this RFP should be directed to the RFP contact person, Colleen Leonardo, at 820 Mililani Street, #606, Honolulu, Hawaii 96813, telephone: (808) 586-0978, fax: (808) 586-5744, or e-mail: cleonardo@dhs.hawaii.gov.

PROPOSAL MAIL-IN AND DELIVERY INFORMATION SHEET

NUMBER OF COPIES TO BE SUBMITTED: ONE (1) ORIGINAL AND THREE (3) COPIES

ALL MAIL-INS SHALL BE POSTMARKED BY THE UNITED STATES POSTAL SERVICE (USPS) NO LATER THAN **APRIL 11, 2016** and received by the state purchasing agency no later than 10 days from the submittal deadline.

All Mail-ins

*Department Of Human Services
Benefit, Employment & Support Services Division
Child Care Program Office
820 Mililani Street, Suite 606
Honolulu, Hawaii 96813*

DHS RFP COORDINATOR

*Colleen Leonardo
Telephone No: (808) 586-0978
Fax Number: (808) 586-5744
E-mail Address:
cleonardo@dhs.hawaii.gov*

ALL HAND DELIVERIES SHALL BE ACCEPTED AT THE FOLLOWING SITES UNTIL **4:30 P.M., Hawaii Standard Time (HST), April 11, 2016**. Deliveries by private mail services such as FEDEX shall be considered hand deliveries. Hand deliveries shall not be accepted if received after 4:30 p.m., April 11, 2016.

Drop-off Sites

Department of Human Services
Benefit, Employment & Support Services
Division
Child Care Program Office
820 Mililani Street, Suite 606
Honolulu, Hawaii 96813

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Section 1

Administrative Overview

Section 1

Administrative Overview

Applicants are encouraged to read each section of the RFP thoroughly. While sections such as the administrative overview may appear similar among RFPs, state purchasing agencies may add additional information as applicable. It is the responsibility of the applicant to understand the requirements of *each* RFP.

1.1 Procurement Timetable

Note that the procurement timetable represents the State's best estimated schedule. If an activity on this schedule is delayed, the rest of the schedule will likely be shifted by the same number of days. Contract start dates may be subject to the issuance of a notice to proceed.

<u>Activity</u>	<u>Scheduled Date</u>
Public notice announcing Request for Proposals (RFP)	03/01/16
Distribution of RFP	03/01/16
RFP orientation session	03/09/16
Closing date for submission of written questions for written responses	03/16/16
State purchasing agency's response to applicants' written questions	03/28/16
Discussions with applicant prior to proposal submittal deadline (optional)	N/A
Proposal submittal deadline	04/11/16
Discussions with applicant after proposal submittal deadline (optional)	N/A
Final revised proposals (optional)	N/A
Proposal evaluation period	04/25/16 - 04/29/16
Provider selection	04/29/16
Notice of statement of findings and decision	05/06/16
Contract start date	07/01/16

1.2 Website Reference

Item		Website
1	Procurement of Health and Human Services	http://spo.hawaii.gov/for-vendors/vendor-guide/methods-of-procurement/health-human-services/competitive-purchase-of-services-procurement-method/cost-principles-table-hrs-chapter-103f-2/
2	RFP website	http://hawaii.gov/spo2/health/rfp103f/
3	Hawaii Revised Statutes (HRS) and Hawaii Administrative Rules (HAR) for Purchases of Health and Human Services	http://spo.hawaii.gov Click on the “References” tab.
4	General Conditions, AG-103F13	http://hawaii.gov/forms/internal/department-of-the-attorney-general/ag-103f13-1/view
5	Forms	http://spo.hawaii.gov Click on the “Forms” tab.
6	Cost Principles	http://spo.hawaii.gov Search: Keywords “Cost Principles”
7	Protest Forms/Procedures	http://spo.hawaii.gov/for-vendors/vendor-guide/protests-for-health-and-human-services/
8	Hawaii Compliance Express (HCE)	http://spo.hawaii.gov/hce/
9	Hawaii Revised Statutes	http://capitol.hawaii.gov/hrscurrent
10	Department of Taxation	http://tax.hawaii.gov
11	Department of Labor and Industrial Relations	http://labor.hawaii.gov
12	Department of Commerce and Consumer Affairs, Business Registration	http://cca.hawaii.gov click “Business Registration”
13	Campaign Spending Commission	http://ags.hawaii.gov/campaign/
14	Internal Revenue Service	http://www.irs.gov/
(Please note: website addresses may change from time to time. If a State link is not active, try the State of Hawaii website at http://hawaii.gov)		

1.3 Authority

This RFP is issued under the provisions of the Hawaii Revised Statutes (HRS) Chapter 103F and its administrative rules. All prospective applicants are charged with presumptive knowledge of all requirements of the cited authorities. Submission of a valid executed proposal by any prospective applicant shall constitute admission of such knowledge on the part of such prospective applicant.

1.4 RFP Organization

This RFP is organized into five sections:

Section 1, Administrative Overview: Provides applicants with an overview of the procurement process.

Section 2, Service Specifications: Provides applicants with a general description of the tasks to be performed, delineates provider responsibilities, and defines deliverables (as applicable).

Section 3, Proposal Application Instructions: Describes the required format and content for the proposal application.

Section 4, Proposal Evaluation: Describes how proposals will be evaluated by the state purchasing agency.

Section 5, Attachments: Provides applicants with information and forms necessary to complete the application.

1.5 Contracting Office

The Contracting Office is responsible for overseeing the contract(s) resulting from this RFP, including system operations, fiscal agent operations, and monitoring and assessing provider performance. The Contracting Office is:

Department of Human Services
Benefit, Employment & Support Services Division
Child Care Program Office
820 Mililani Street, Suite 606
Honolulu, Hawaii 96813
Phone: (808) 586-0978
Fax: (808) 586-5744
Email address: cleonardo@dhs.hawaii.gov

1.6 RFP Point-of-Contact

From the release date of this RFP until the selection of the successful provider(s), any inquiries and requests shall be directed to the sole point-of-contact identified below.

Colleen Leonardo
Phone: (808) 586-0978
Fax: (808) 586-5744

1.7 Orientation

An orientation for applicants in reference to the request for proposals will be held as follows:

Date:	March 9, 2016	Time:	1:30 pm HST
Location:	DHS, BESSD, Child Care Program Office, 820 Mililani Street, #615, Honolulu, Hawaii 96813		

Applicants are encouraged to submit written questions prior to the orientation. Impromptu questions will be permitted at the orientation and spontaneous answers provided at the state purchasing agency's discretion. However, answers provided at the orientation are only intended as general direction and may not represent the state purchasing agency's position. Formal official responses will be provided in writing. To ensure a written response, any oral questions should be submitted in writing following the close of the orientation, but no later than the submittal deadline for written questions indicated in the subsection 1.8, Submission of Questions.

1.8 Submission of Questions

Applicants may submit questions to the RFP point-of-contact identified in Section 1.6. Written questions should be received by the date and time specified in Section 1.1 Procurement Timetable. The purchasing agency will respond to written questions by way of an addendum to the RFP.

Deadline for submission of written questions:

Date:	3/16/16	Time:	4:30 p.m.	HST
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State agency responses to applicant written questions will be provided by:

Date:	3/28/16
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1.9 Submission of Proposals

A. **Forms/Formats** - Forms, with the exception of program specific requirements, may be found on the State Procurement Office website referred to in Section 1.2, Website Reference. Refer to the Section 5, Proposal Application Checklist for the location of program specific forms.

1. **Proposal Application Identification (Form SPOH-200).** Provides applicant proposal identification.
2. **Proposal Application Checklist.** The checklist provides applicants specific program requirements, reference and location of required RFP proposal forms, and the order in which all proposal components should be collated and submitted to the state purchasing agency.

3. **Table of Contents.** A sample table of contents for proposals is located in Section 5, Attachments. This is a sample and meant as a guide. The table of contents may vary depending on the RFP.
 4. **Proposal Application (Form SPOH-200A).** Applicant shall submit comprehensive narratives that address all proposal requirements specified in Section 3, Proposal Application Instructions, including a cost proposal/budget, if required.
- B. **Program Specific Requirements.** Program specific requirements are included in Sections 2 and 3, as applicable. Required Federal and/or State certifications are listed on the Proposal Application Checklist in Section 5.
- C. **Multiple or Alternate Proposals.** Multiple or alternate proposals shall not be accepted unless specifically provided for in Section 2. In the event alternate proposals are not accepted and an applicant submits alternate proposals, but clearly indicates a primary proposal, it shall be considered for award as though it were the only proposal submitted by the applicant.
- D. **Provider Compliance.** All providers shall comply with all laws governing entities doing business in the State.
- **Tax Clearance.** Pursuant to HRS §103-53, as a prerequisite to entering into contracts of \$25,000 or more, providers are required to have a tax clearance from the Hawaii State Department of Taxation (DOTAX) and the Internal Revenue Service (IRS). Refer to Section 1.2, Website Reference for DOTAX and IRS website address.
 - **Labor Law Compliance.** Pursuant to HRS §103-55, providers shall be in compliance with all applicable laws of the federal and state governments relating to workers' compensation, unemployment compensation, payment of wages, and safety. Refer to Section 1.2, Website Reference for the Department of Labor and Industrial Relations (DLIR) website address.
 - **Business Registration.** Prior to contracting, owners of all forms of business doing business in the state except sole proprietorships, charitable organizations, unincorporated associations and foreign insurance companies shall be registered and in good standing with the Department of Commerce and Consumer Affairs (DCCA), Business Registration Division. Foreign insurance companies must register with DCCA, Insurance Division. More information is on the DCCA website. Refer to Section 1.2, Website Reference for DCCA website address.

Providers may register with Hawaii Compliance Express (HCE) for online compliance verification from the DOTAX, IRS, DLIR, and DCCA. There is a nominal annual registration fee (currently \$12) for the service. The HCE's online "Certificate of Vendor Compliance" provides the registered provider's current compliance status as of the issuance date, and is accepted for both contracting and final payment purposes. Refer to Section 1.2, Website Reference, for HCE's website address.

Providers not utilizing the HCE to demonstrate compliance shall provide paper certificates to the purchasing agency. All applications for applicable clearances are the responsibility of the providers. All certificates must be valid on the date it is received by the purchasing agency. The tax clearance certificate shall have an original green certified copy stamp and shall be valid for six months from the most recent approval stamp date on the certificate. The DLIR certificate is valid for six months from the date of issue. The DCCA certificate of good standing is valid for six months from date of issue.

- E. **Wages Law Compliance.** If applicable, by submitting a proposal, the applicant certifies that the applicant is in compliance with HRS §103-55, Wages, hours, and working conditions of employees of contractors performing services. Refer to Section 1.2, Website Reference for statutes and DLIR website address.
- F. **Campaign Contributions by State and County Contractors.** HRS §11-355 prohibits campaign contributions from certain State or county government contractors during the term of the contract if the contractors are paid with funds appropriated by a legislative body. Refer to Section 1.2, Website Reference for statutes and Campaign Spending Commission website address.
- G. **Confidential Information.** If an applicant believes any portion of a proposal contains information that should be withheld as confidential, the applicant shall request in writing nondisclosure of designated proprietary data to be confidential and provide justification to support confidentiality. Such data shall accompany the proposal, be clearly marked, and shall be readily separable from the proposal to facilitate eventual public inspection of the non-confidential sections of the proposal.

Note that price is not considered confidential and will not be withheld.

- H. **Proposal Submittal.** All mail-ins shall be postmarked by the United States Postal System (USPS) and received by the State purchasing agency no later than the submittal deadline indicated on the attached Proposal Mail-in and Delivery Information Sheet, or as amended. All hand deliveries shall be received by the State purchasing agency by the date and time designated on the Proposal Mail-In and Delivery Information Sheet, or as amended. Proposals shall be rejected when:
 - 1. Postmarked after the designated date; or
 - 2. Postmarked by the designated date but not received within 10 days from the submittal deadline; or
 - 3. If hand delivered, received after the designated date and time.

The number of copies required is located on the Proposal Mail-In and Delivery Information Sheet. Deliveries by private mail services such as FEDEX shall be considered hand deliveries and shall be rejected if received after the submittal deadline. Dated USPS shipping labels are not considered postmarks.

Proposals submitted via facsimile transmissions, electronic mail, website, or on computer diskettes (CDs) are not permitted.

1.10 Discussions with Applicants

- A. **Prior to Submittal Deadline.** Discussions may be conducted with potential applicants to promote understanding of the purchasing agency's requirements.
- B. **After Proposal Submittal Deadline.** Discussions may be conducted with applicants whose proposals are determined to be reasonably susceptible of being selected for award, but proposals may be accepted without discussions, in accordance with HAR §3-143-403.

1.11 Opening of Proposals

Upon the state purchasing agency's receipt of a proposal at a designated location, proposals, modifications to proposals, and withdrawals of proposals shall be date-stamped, and when possible, time-stamped. All documents so received shall be held in a secure place by the state purchasing agency and not examined for evaluation purposes until the submittal deadline.

Procurement files shall be open to public inspection after a contract has been awarded and executed by all parties.

1.12 Additional Materials and Documentation

Upon request from the state purchasing agency, each applicant shall submit additional materials and documentation reasonably required by the state purchasing agency in its evaluation of the proposals.

1.13 RFP Amendments

The State reserves the right to amend this RFP at any time prior to the closing date for final revised proposals.

1.14 Final Revised Proposals

If requested, final revised proposals shall be submitted in the manner and by the date and time specified by the state purchasing agency. If a final revised proposal is not submitted, the previous submittal shall be construed as the applicant's final revised proposal. *The applicant shall submit **only** the section(s) of the proposal that are amended, along with the Proposal Application Identification Form (SPOH-200).* After final revised proposals are received, final evaluations will be conducted for an award.

1.15 Cancellation of Request for Proposal

The RFP may be canceled and any or all proposals may be rejected in whole or in part, when it is determined to be in the best interest of the State.

1.16 Costs for Proposal Preparation

Any costs incurred by applicants in preparing or submitting a proposal are the applicants' sole responsibility.

1.17 Provider Participation in Planning

Provider(s), awarded a contract resulting from this RFP,

☒ are required

☐ are not required

to participate in the purchasing agency's future development of a service delivery plan pursuant to HRS §103F-203.

Provider participation in a state purchasing agency's efforts to plan for or to purchase health and human services prior to the release of a RFP, including the sharing of information on community needs, best practices, and providers' resources, shall not disqualify providers from submitting proposals, if conducted in accordance with HAR §§3-142-202 and 3-142-203.

1.18 Rejection of Proposals

The State reserves the right to consider as acceptable only those proposals submitted in accordance with all requirements set forth in this RFP and which demonstrate an understanding of the problems involved and comply with the service specifications. Any proposal offering any other set of terms and conditions contradictory to those included in this RFP may be rejected without further notice.

A proposal may be automatically rejected for any one or more of the following reasons:

- (1) Rejection for failure to cooperate or deal in good faith. (HAR §3-141-201)
- (2) Rejection for inadequate accounting system. (HAR §3-141-202)
- (3) Late proposals (HAR §3-143-603)
- (4) Inadequate response to request for proposals (HAR §3-143-609)
- (5) Proposal not responsive (HAR §3-143-610(a)(1))
- (6) Applicant not responsible (HAR §3-143-610(a)(2))

1.19 Notice of Award

A statement of findings and decision shall be provided to each responsive and responsible applicant by mail upon completion of the evaluation of competitive purchase of service proposals.

Any agreement arising out of this solicitation is subject to the approval of the Department of the Attorney General as to form, and to all further approvals, including the approval of the Governor, required by statute, regulation, rule, order or other directive.

No work is to be undertaken by the provider(s) awarded a contract prior to the contract commencement date. The State of Hawaii is not liable for any costs incurred prior to the official starting date.

1.20 Protests

Pursuant to HRS §103F-501 and HAR Chapter 148, an applicant aggrieved by an award of a contract may file a protest. The Notice of Protest form, SPOH-801, and related forms are available on the SPO website. Refer to Section 1.2, Website Reference for website address. Only the following matters may be protested:

- (1) A state purchasing agency's failure to follow procedures established by Chapter 103F of the Hawaii Revised Statutes;
- (2) A state purchasing agency's failure to follow any rule established by Chapter 103F of the Hawaii Revised Statutes; and
- (3) A state purchasing agency's failure to follow any procedure, requirement, or evaluation criterion in a request for proposals issued by the state purchasing agency.

The Notice of Protest shall be postmarked by USPS or hand delivered to 1) the head of the state purchasing agency conducting the protested procurement and 2) the procurement officer who is conducting the procurement (as indicated below) within five working days of the postmark of the Notice of Findings and Decision sent to the protestor. Delivery services other than USPS shall be considered hand deliveries and considered submitted on the date of actual receipt by the state purchasing agency.

Head of State Purchasing Agency	Procurement Officer
Name: Rachael Wong, DrPH	Name: Scott Nakasone
Title: Director	Title: Acting Division Administrator
Mailing Address: P.O. Box 339 Honolulu, Hawaii 96809-0339	Mailing Address: 820 Mililani Street. Suite 606, Honolulu, Hawaii 96813
Business Address: 1390 Miller Street Honolulu, Hawaii 96813	Business Address 820 Mililani Street. Suite 606, Honolulu, Hawaii 96813

1.21 Availability of Funds

The award of a contract and any allowed renewal or extension thereof, is subject to allotments made by the Director of Finance, State of Hawaii, pursuant to HRS Chapter 37, and subject to the availability of State and/or Federal funds.

1.22 General and Special Conditions of Contract

The general conditions that will be imposed contractually are on the SPO website. Special conditions may also be imposed contractually by the state purchasing agency, as deemed necessary

1.23 Cost Principles

To promote uniform purchasing practices among state purchasing agencies procuring health and human services under HRS Chapter 103F, state purchasing agencies will utilize standard cost principles as outlined on the SPO website. Refer to Section 1.2 Website Reference for website address. Nothing in this section shall be construed to create an exemption from any cost principle arising under federal law.

Section 2

Service Specifications

Section 2

Service Specifications

2.1 Introduction

A. Overview, purpose or need

The mission of the Department of Human Services (DHS) is to provide high quality, efficient, and effective services designed toward achieving self-sufficiency for clients as quickly as possible, and to direct our limited resources toward helping those least able to care for themselves.

The DHS is the State's lead agency for the federal Child Care and Development Fund (CCDF.) The purpose of this CCDF grant is to increase the availability, affordability, and quality of early childhood and care programs.

The purpose of this RFP is to contract with an organization to assist and support the DHS Benefit, Employment and Support Services Division (BESSD) functions. The organization shall conduct the following activities throughout the State of Hawaii:

1. Promote access to child care services available through the DHS federally-funded child care subsidy program as well as promote the child care subsidy program as needed and when requested by the DHS;
2. Reduce barriers to receiving DHS child care subsidies;
3. Process DHS child care applications, interview, and determine eligibility for child care subsidies;
4. Authorize and timely issue the DHS monthly child care subsidies for eligible families;
5. Reconcile improper payments based on DHS rules and policies;
6. Conduct quality assurance activities to ensure dispositions and payments issued are correct and timely; and
7. Provide case management of the DHS child care caseload.

These services help an eligible family to access DHS child care subsidies in order to:

1. Maintain the family's employment, attendance in school, or participation in job training to lessen dependency on public assistance,
2. Keep intact the family members who receive child protective services that include child care as ordered by the court, and
3. Decrease the family's worries about the substitute child care provided for the eligible children while their caretakers engage in the DHS-approved activities.

References for the families' and providers' eligibility for the DHS child care subsidies are contained in Chapter 17-798.2, Hawaii Administrative Rules (HAR), or in any subsequent rules revised or adopted.

Note: All child care services responsibilities carried out by the First-to-Work (FTW) staff and other DHS contracted "work" programs, including the required background checks of license-exempt providers and their adult household/staff members selected by clients in the FTW and other "work" programs, are retained by those assigned FTW and respective "work program" staff, unless otherwise specified by the Department with appropriate notice. In addition, all activities related to the DHS Preschool Open Doors (POD) State-funded child care subsidy program are excluded from this procurement.

B. Planning activities conducted in preparation for this RFP

Planning for this procurement included the following: a review of the existing workload of BESSD FTW staff and contracted staff that provide child care payment services; a review of child care services data; discussion with members of the Statewide Child Care Advisory Committee; an assessment of the existing contract, and comments received from the posting of a Request For Information on the State of Hawaii Procurement Office (SPO) website on November 19, 2015.

C. Description of the service goals

BESSD's goal is to lessen dependence on public assistance by helping to support DHS-eligible families Statewide in their employment, educational, and work training efforts, and to keep intact the families that receive DHS child protective services and child care is ordered by the court in their service plans, through participation in the DHS federal child care subsidy program.

D. Description of the target population to be served

The target population includes the following:

1. Families residing in the State of Hawaii with monthly gross incomes that do not exceed 85% of the 2004 State Median Income for a family of the same size. The DHS currently uses the 2004 standard – this is subject to change upon notification by the DHS. Besides meeting gross income eligibility criteria, eligible caretakers of eligible children in these families must have an “activity” defined as being engaged in employment in exchange for wages or salaries, or enrolled in and attending school or a job training program, vocational or employment training.
- b. Families receiving child protective services with child care services ordered by the court. DHS foster parents with a qualifying “activity” and caring for eligible children are not required to meet the income eligibility criteria. Eligible caretakers can also be those who have a written offer of employment that is scheduled to start within two weeks; need child care for up to 30 calendar days during a break in employment, if employment is scheduled to resume within 30 calendar days; need up to 30 consecutive days in a 12-month period for the caretaker with or without a work history to job-search when there is no one to care for the child; or have a temporary disability verified by a physician that prevents them from working and caring for their own eligible children for a defined period.
- c. Children must be under age 13 years and need child care, or are age 13 years old up to and including 17 years old but are unable to do self-care due to a verified mental or physical disability; or receive child protective services (CPS) provided by DHS to families and siblings of children who are reported to have been or are at risk of being abused or neglected, and all reside together, as ordered by the court.
- d. Additional criteria are found in Chapter 17-798.2, HAR, or any subsequent rules revised or adopted.

E. Geographic coverage of service

Services shall be delivered to eligible families residing in the State of Hawaii to include Kauai, Oahu, Maui (including Molokai and Lanai), East Hawaii, and West Hawaii. The Provider will be required to have a full time office on Kauai, Oahu, Maui, East Hawaii, and West Hawaii.

F. Probable funding amounts, source, and period of availability

A maximum amount of **\$2,648,062.00** in total Federal funding is allocated for the initial contract period **July 1, 2016 – June 30, 2017**.

Allowable expenditures, in accordance with HRS Chapter 103F Cost Principles, incurred prior to the start of the contract period (July 1, 2016 or later), in order for services to start at the beginning of the contract period, may be included in the invoice submitted for expenses incurred during the first month of contract services rendered. No request shall be made or authorized for “start up” or “advance payment” prior to services delivered and expenses incurred.

The State, at its option, may extend this Agreement in writing, for four (4) additional State fiscal years or parts thereof, not to exceed a total of forty-eight (48) additional months of services up to and including **June 30, 2021**, upon mutual agreement in writing **subject to increase or decrease per State fiscal year** depending on contract operations, community need, the appropriation and availability of funding to DHS, and the State’s determination of satisfactory provider performance, or unless the Agreement is terminated. The option to extend the services will be offered in writing by the DHS.

2.2 Contract Monitoring and Evaluation

The criteria by which the performance of the contract will be monitored and evaluated are:

- (1) Performance/Outcome Measures
- (2) Output Measures
- (3) Quality of Care/Quality of Services
- (4) Financial Management
- (5) Administrative Requirements

2.3 General Requirements

A. Specific qualifications or requirements, including but not limited to licensure or accreditation

1. The Provider shall comply with Cost Principles, HRS Chapter 103F, for Purchases of Health and Human Services. Refer to Section 1.2, Website Reference for Cost Principles website address.

B. Secondary purchaser participation

(Refer to HAR §3-143-608)

After-the-fact secondary purchases will be allowed subject to approval by the primary purchaser and the State's Chief Procurement Officer.

Planned secondary purchases: None

C. Multiple or alternate proposals

(Refer to HAR §3-143-605)

☐ Allowed ☒ Unallowed

D. Single or multiple contracts to be awarded

(Refer to HAR §3-143-206)

☒ Single ☐ Multiple ☐ Single & Multiple

Criteria for multiple awards:

E. Single or multi-term contracts to be awarded

(Refer to HAR §3-149-302)

☐ Single term (2 years or less) ☒ Multi-term (more than 2 years)

Contract terms:

Contract terms:

Initial term of contract: twelve (12) months

Length of each extension: twelve (12) months in a State fiscal year

Number of possible extensions: **four (4)**

Maximum length of contract: **five (5) years, not to exceed June 30, 2021**

The initial period shall commence on the contract start date or "Notice to Proceed", whichever is later.

Conditions for extension: The contract for the proposed services may be extended without the necessity of re-bidding, subject to appropriation and availability of funds to DHS, community need, and the State's determination of satisfactory provider performance, or unless this Agreement is terminated. The option to extend the services will be offered in writing by the DHS, at

least sixty (60) days prior to the expiration of the contract. No supplementary agreement shall be binding upon the DHS until the agreement has been fully and properly executed by all parties thereto prior to the start date of agreement. The provider shall not provide any services until the agreement is fully and properly executed.

When a disagreement arises between the Provider and the State regarding the performance of specific service activities within the contracted specifications, the wishes of the State shall prevail. Failure on the part of the Provider to comply shall be deemed cause for corrective action and subject to contractual remedies.

2.4 Scope of Work

The State of Hawaii, Department of Human Services, Benefit, Employment and Support Services Division (BESSD) intends to procure application/payment processing services to assist eligible families' access DHS child care subsidies.

The scope of work encompasses the following tasks and responsibilities:

A. Provider Activities (Minimum and/or mandatory tasks and responsibilities)

Provider shall:

1. Provide DHS child care eligibility criteria information to families and providers who are seeking information about the child care subsidy program. Eligibility criteria for the federally-funded DHS child care subsidies are based on the monthly gross income limits by size of family, the caretakers' qualifying "activity" requirements, child's age, need for child care, and the child care provider eligibility. The DHS child care eligibility criteria are found in Chapter 17-798.2, HAR, or the subsequent adoption of revised child care services rules. DHS will provide the initial training of eligibility requirements for DHS federally-funded child care subsidies to the Provider.
2. Process *approximately 1000 child care applications* Statewide every month. This includes pending applications from prior months.
3. Assume and manage the existing DHS child care payment caseload for *approximately 7,500 eligible families (about 8,000 children)*, and any new case.
4. Provide a smooth transition with uninterrupted service from the existing caseload maintained by the current Provider to the new Provider.

5. Maintain the role and duties of custodian of the records for the provider's child care payment case records. The Provider shall consider all records and documenting information acquired about, provided by, or made available by the applicants for and recipients of the child care subsidy program confidential and shall not disclose such information, except as otherwise allowed by Hawaii Revised Statutes (HRS) 346-10 and Chapter 17-601, HAR.
6. Determine the household's eligibility for the child care payments and provide administrative and child care payment authorization and issuance services, following chapter 17-798.2, HAR, or the subsequent adoption of revised child care services rules, using the DHS' electronic data system (i.e. Hawaii Automated Network of Assistance or HANA). The caseload may exceed 7,500 families. The Provider must be willing to serve all families who express interest in the DHS child care subsidy program, and serve all eligible families until the caseload is capped. The cap can only be invoked by the DHS BESSD Administration.
7. Assist families in understanding and completing the DHS child care application and eligibility forms. The Provider shall issue the DHS child care application forms, the provider confirmation forms and consent for background check forms to interested families and assist them, as necessary, to complete the forms. This includes oversight that the families gather all the necessary documents that support the information on the DHS child care application form. The Provider shall explain the necessity of the DHS forms as part of the child care application packet, and shall ensure the completion of all sections on the forms by the applicants and providers. The applicants shall furnish all the required information and DHS child care provider confirmation and consent for background check forms, in order for the application to be considered "complete".
8. Set up individual families' child care case folders to file the completed child care application and documents, including all other completed DHS pertinent forms and copies of notices, following DHS procedures.
9. Conduct an interview with the applicant no later than thirty days after receipt of the signed and dated application form and supporting documentary evidence to determine eligibility for child care payments.
10. Ensure that all Department background check policies and procedures are followed for license-exempt providers caring for children whose families receive child care subsidies, including but not limited to:
 - a. Initiating the process of background checks for the license-exempt providers selected by the clients. Upon receipt of the signed and completed provider confirmation form (i.e. DHS 918) and the signed and completed consent for background check forms (i.e. DHS 948) for all

caregivers/household members, Provider staff shall forward the forms to the DHS units processing background checks and collecting fingerprint samples for all caregivers and household members.

b. Issuing timely and adequate notices of adverse action on Departmental forms (i.e., DHS 990) in accordance with Chapter 17-798.2 HAR or any subsequent revised rules adopted for child care services.

c. Issuing presumptively eligible child care payments in accordance with Chapter 17-798.2 HAR or any subsequent revised rules adopted for child care services.

d. Forwarding upon receipt the completed provider information and consent forms to the appropriate DHS units at which the individuals will be fingerprinted or complete background checks.

e. Track license-exempt child care providers caring for children receiving child care subsidies and their household members for completion of on-going annual background checks and any other requirements exempt providers are subject to in accordance Chapter 17-798.2 HAR or any subsequent revised rules adopted for child care services.

11. Register the child care applications immediately in the DHS' electronic data system (i.e. HANA) by entering the family and provider information into the DHS electronic data system.
12. Calculate the child care payment amount for eligible families, and issue the benefits and appropriate DHS notices for immediate access to the child care subsidies.
13. Review the clients' completed redetermination forms (i.e. SRF), and the verifying documents, every six months and ensure that all required information and documentation is received by the DHS deadlines cited in the DHS child care services rules. Determine in the redetermination month whether the family continues to be eligible for future child care payments. Deny or discontinue child care payments, correcting improper payments, when applicable. The Provider is to implement the DHS rules regarding simplified reporting found in §17-798.2, or the subsequent adoption of revised child care services rules, to decide whether the family is eligible for or is denied payments.
14. Utilize all DHS data systems (i.e. HANA, Electronic Case Folder system, etc.) in service implementation. The Provider may propose using their own data system to "supplement" the DHS system. Acceptance of others electronic data systems shall be at the sole discretion of the DHS.

15. Participate in training conducted by the DHS or by select Provider staff certified or authorized by DHS, on the eligibility criteria for the caretakers, children, and child care providers in order to make a determination of whether the applications for subsidies are approved or denied.
16. Distribute pertinent child care brochures/ materials and issue appropriate notices, provide follow-up contact information and inform the families of the location of the child care payment unit, and the worker's contact information.
17. Provide to parents information about child care resources in the community, health and safety educational materials, and parenting information about choosing a quality child care program.
18. Write Branch reports when clients request an Administrative Hearing due to disagreement with staff action taken on the case situation and represent the Department's position at the scheduled administrative hearing.
19. Respond to requests (e.g. subpoena, court orders, etc.) for case information and be available to appear at scheduled legal proceedings if ordered by the court or requested by the Department to represent the Department's position. The Provider shall also immediately report (within 24 hours) any external request and responses made for legal proceedings to the Department.
20. Calculate and adjust the client's following month's payment for any overpayments or other payment errors for the eligibility period. The Provider shall contact clients to arrange for a voluntary repayment plan, including when the clients fail to pay the providers after receiving a child care subsidy.
21. Implement a system to identify and recover overpayments on Provider's child care services caseloads. The Provider's recoupment efforts shall include initiating requisite overpayment notices, receiving and processing refunds to the Department's fiscal collections/recovery unit as necessary, as well as maintaining and reporting the transactions.
22. Comply with any directives issued by the Department related to addressing and resolving overpayments and adopt changes to the policy and system as required.
23. Ensure that staff are trained timely on policies and procedures and that policies and procedures are correctly implemented.
24. Maintain evidence of written directives or clarifications given to Provider's staff and shall make such evidence available to the Department. The

Provider shall include the Department in the distribution of any policy broadcasts (e.g. e-mail clarifications) issued to staff.

25. Collaborate and coordinate with DHS to develop and maintain an effective training certification plan and training curriculum for approved Provider staff who will provide timely training of the Provider's child care staff on the DHS child care services rules and policies, other Departmental policies, the DHS' electronic data systems, including HANA, ECF, and other DHS network applications such as Outlook and Lotus Notes. Trainings provided may be for new hires or existing staff needing refresher training.
26. Develop written materials, subject to DHS approval, to promote outreach of the child care subsidy program to the public. The Provider shall include program description, office locations, and brief overview of the eligibility criteria and application process.
27. Coordinate services with public agencies, non-profit organizations, and private business to increase and expand awareness and utilization of the child care subsidy program.
28. Work with DHS staff to coordinate and ensure a smooth transition for those TANF families that are transitioning from First-To-Work services to child care subsidy services. Should problems arise, it is the Provider's responsibility to initiate contact with DHS staff to resolve these problems in a timely manner and to alert the Child Care Program Office staff if problems remain unresolved.
29. Provide child care services during regular State business hours, at a minimum, Monday through Friday, 7:45 a.m. - 4:30 p.m., Hawaii Standard Time except State holidays. The Provider has the flexibility to provide additional hours of the service activities in the local communities, as potential applicants and eligible client families may be working or attending school during regular hours.

Note: Many clients prefer to walk-in their paperwork, rather than use the mail system. The DHS is requiring the Provider to have offices on Oahu, Kauai, Maui, East Hawaii and West Hawaii, to meet the needs of the target group. Provider must ensure that families in all geographic areas can be served through these offices.

30. Provide child care services during inclement weather or other types of disasters as long as State offices in the same local vicinity are open. Should the Provider's policy conflict with the State's guidelines, the wishes of the State shall prevail. Failure on the part of the Provider to comply shall be deemed cause for corrective action and subject to contractual remedies.

31. Investigate, address and respond to any complaints against payment services or worker.
32. Purchase additional new computer/office equipment, with prior approval from the Department, if the existing ones are no longer in working condition, must be replaced, or is not sufficient to meet operational needs. Replacement and/or repair of office equipment shall be timely and shall not affect daily operations. Any equipment which has been replaced due to negligence or abuse, as determined by the Department, must be replaced at the Provider's expense with non-Contract funds.
33. Maintain all inventory responsibilities for acquired equipment and supplies that are purchased for Departmental contracts using Contract funds, including but not limited logging serial numbers, logging Departmental decals, and reconciling orders and packing slips.
34. Coordinate services with the Department's network and electronic data system offices (e.g. System Operations and Requirements Office or Office of Information and Technology) to install the hardware, software and configure the system to ensure an orderly transition and to continue ongoing child care payment services.
35. Coordinate and collaborate services with the Department for storage of closed cases and/or other items.
36. Conduct monthly reviews of staff work and performance of these activities and tasks, to determine the following:
 - a. the accuracy of payment amounts;
 - b. the timeliness of payment issuance to the families;
 - c. the completeness of case records for all required eligibility forms and verifications;
 - d. the breadth, effectiveness, and efficiency of community outreach efforts in the local communities; and
 - e. ensure that policies and procedures are being followed

The Provider is to take steps to reduce errors to meet federal and state accuracy and timeliness requirements. The Provider shall provide reports of findings from these case reviews, including any corrections to the DHS BESSD Child Care Program Office . The DHS will also conduct quarterly quality reviews and may re-review cases reviewed by the Provider. The Provider shall be available and make case records available to DHS quality review staff.

37. Collect data and submit the information to the DHS BESSD Child Care Program Office to include the following:
 - a. numbers of individuals that submit child care applications;
 - b. numbers of child care applications that were completed and issued payments within 30 days;
 - c. numbers of applications denied;
 - d. numbers of child care applications approved; and
 - e. percentage of accurate monthly child care payment amounts.
38. Provide monthly and quarterly program progress reports of contracted tasks, responsibilities, and achievement of objectives, per State fiscal year to the DHS that separate data by geographic areas, and include quality control efforts, the percentage of achievement of objectives, successes, challenges, and problem resolutions.
39. Conduct and cooperate in audit requirements to ensure that output and performance/outcome measurements under 2.4.B.4. are met.
40. Maintain close coordination with the Department's Child Care Resource and Referral contract service provider to ensure that consumer education services are provided to subsidy families.
41. Provide interpreter services to Limited English Proficiency (LEP) applicants and clients as specified under the Special Conditions, item 8, "Interpreter Services".

B. Management Requirements (Minimum and/or mandatory requirements)

1. Personnel

The applicant must describe the organization's capability and experience in performing this service by providing information on all positions to be funded in whole or in part through this project, including a description of experience and education required which reflect that staff have the relevant background needed to conduct child care application and processing services. Include titles, job descriptions, and qualifications for each position.

The type of work to be performed by the staff in the communities could be done by the equivalent of a high school graduate with good communication skills and experience in working with people, or a para-professional person. Clerical staff is recommended to support the services. At least two staff from the organization shall be located at each site to meet the requirements of immediately authorizing and issuing new or replacement Electronic Benefit Transfer (EBT) cards to eligible families.

The Applicant should address case management and application processing when staff are on extended leave and when there are position vacancies.

The Provider shall recruit, hire, train and supervise the necessary staff to operate the project. The DHS requires the Provider to have separate offices in all the counties, including Hilo and Kona on the “Big Island”.

The Applicant shall propose and describe how services will be provided on the islands of Molokai and Lanai. The Applicant must detail a work plan to provide all the services Statewide, including setting up the location(s), and various community outreach efforts.

The Applicant shall provide a clearly detailed and viable plan for obtaining necessary staff which includes plans for continuity of service activities which describes and insures to the Department that services will be provided with no interruptions should there be an expected or unexpected change in personnel due to illness, maternity leave, resignations, etc.

Furthermore any change in personnel shall not result in increased personnel cost unless prior approval is received by the Department.

The Provider shall not engage in conduct and behaviors that result in the creation of a hostile and/or abusive work environment as a result of any of the bases protected by law and prohibits retaliation against anyone who files a complaint or participates in the complaint process. The Provider’s workplace and services areas must be free from any and all discriminatory and offensive practices, including but not limited to, use of tobacco products, sprays, and fragrances to which individuals could have allergic reactions.

The Provider shall not discriminate against any individual in hiring, training, promotion, retention, discipline, or any other terms or conditions of a person's employment, services under this Agreement or status as an applicant for services under this Agreement.

The Provider and its employees are responsible for creating and maintaining a work environment that is free of all discriminatory practices including harassment, bullying and/or retaliation for having filed a complaint. If the Provider or its employees have been determined to have engaged in discriminatory conduct under services of this Agreement, the Department shall take action through contractual remedies allowed under this Agreement.

2. **Administrative**

- a. The Provider shall be responsible to purchase or lease, with the available funding, all the necessary furniture and equipment needed to perform the services. Allowed purchases/leases include office equipment, chairs, desks, file cabinets, bookcases, copiers, facsimile machines, mail meter, desk telephones for the staff, and adequate furniture for a small reception area, as needed, within the limitations of the HRS Chapter 103F “Cost Principles.” Equipment purchased with these government funds shall be the property of the Department (DHS.) The DHS will purchase servers, computer packages, and printers, as needed. After the award is made, the DHS will arrange for the necessary connections to the DHS information systems. The Provider has to be on the Department’s dedicated network, thus, the Provider cannot access through its own browser.
- b. The Provider, upon request of the State, shall meet with representatives of the State to discuss the progress of the project. The purpose of these visits will be to observe the program operations, examine record keeping procedures, and evaluate/improve performance outcomes.
- c. The Provider shall refund to the Department any funds unexpended or expended inappropriately, including expenditures that are determined by the Department to be disallowed upon further review, in accordance with 2.5.
- d. The Provider shall be responsible to ensure appropriate staffing at all times during regular State operating hours.
- e. The Provider staff costs shall include FTE salaries and fringe benefits attributable to the operation of this project. HRS Chapter 103F “Cost Principles” from the State Procurement Office (SPO) are to be used as a guide for projected expenses. Refer to Section 1.2, Website Reference, for the Cost Principles website address. These represent guidelines in determining which types of expenditures will be reimbursed, payment dollar limits, payment policy constraints, and reimbursements requiring verification and documentation.

Note: Individual equipment items that cost \$250 or more require three bids with justification on specified forms and DHS approval before purchase.

- f. The Provider shall be required to provide an annual internal financial audit report following the A-133 requirements.

- g. When a disagreement between the Provider staff and DHS staff exists in regards to the performance of service activities within the contract specifications, the wishes of the DHS BESSD contracting office staff shall prevail. Failure to comply on the part of the Provider shall be deemed cause for corrective action and is subject to contractual remedies.

3. **Quality assurance and evaluation specifications**

- i. The Provider shall be responsible for keeping comprehensive records of all expenditures, available for monitoring by DHS staff or designee. These records shall include, but are not limited to:
 - 1. Copies of approved purchase orders signed by the appropriate authority;
 - 2. Copies of invoices, packing slips, receipts, credit/debit memos and other vendor documents;
 - 3. Other appropriate internal accounting statements and reconciliation schedules.
- ii. The Provider shall be responsible for keeping comprehensive program records available for monitoring by DHS staff or its designee. Monitoring will consist of comparing reported data with the organization selected to provide the service's documents used to summarize data. These records shall include, but are not limited to:
 - 1. Agency files such as personnel files;
 - 2. Notes of staff meeting/minutes and training;
 - 3. Documentation of service activities including collaboration with community agencies and organizations; and
 - 4. Accounting practices.

Evaluation will consist of comparing projected program objectives with outcome performance, and analyzing factors that produced those results.

- iii. The Provider shall have a written quality assurance plan that includes procedures to monitor administrative and program operations, fiscal administration, and costs for compliance with all requirements. The quality assurance plan shall also provide for procedures to determine whether the target group receives consistent, high quality services. The quality assurance plan shall also identify roles and responsibilities for on-going monitoring.

- iv. The Provider shall have a written plan for evaluation of performance in providing the required service, including procedures and methodology to measure, monitor and collect data on outputs and outcomes, and to evaluate the outcomes and other results of its services. The evaluation plan should also include procedures to identify and resolve problems, and make improvements to the program as needed. The evaluation plan should identify roles and responsibilities for assuring on-going implementation.
- v. The contract will be evaluated based upon performance as described in Section 2.4 Scope of Work. The contract will also be reviewed for overall cost effectiveness based upon the overall cost compared to the performance outcomes.
- vi. DHS staff shall randomly audit 20 application cases and 20 on-going cases quarterly based on contract objectives to determine if penalty will be imposed. The sample size for the state fiscal year is set at 80 application and 80 on-going cases. The penalty for each objective, below, will be realized at the end of the contract period for each State fiscal year.

4. Output and performance/outcome measurements

- a. At least 90% of the initial applications received and reviewed are processed and completed within 30 days of the submittal date. An application is considered complete when the interview is completed, the correct disposition is made (approved, denied, discontinued or withdrawn) and the correct payment is issued within 30 days of receipt of application for approved cases.

In addition, the cases must have all the required eligibility forms, verifications and documentations to determine eligibility and correct benefits. Required eligibility forms must include (but not limited to) the following: signed and dated child care application form (i.e. DHS 911) and/or redetermination form (i.e. DHS 927) for on-going cases; proof of citizenship and residency; unexpired provider certificate and confirmation form (i.e. DHS 918); unexpired background clearance forms (i.e. DHS 948); proof of income and activities such as pay stubs and school/work schedules; and child care receipts and invoices.

- b. At least 90% of the on-going child care cases processed and completed shall have the correct benefit amount issued.
- c. At least 90% of the total statewide child care cases have all the required eligibility forms, verifications and documentations to determine eligibility

and correct benefits. Required eligibility forms and verifications are the following:

- i. Signed and dated child care application;
- ii. Proof of citizenship and residency;
- iii. Background clearance form;
- iv. Unexpired provider certificate and confirmation form that is valid for one year (unless there is a change in provider and/or care type) from the first eligible month of enrollment with the provider;
- v. Proof of income and activities such as pay stubs and schedules; and
- vi. Child care receipts/invoices.

5. Experience

The Applicant shall demonstrate a thorough understanding of the purpose and scope of the service activity, as well as be able to demonstrate the necessary knowledge, skills, abilities, and experience relating to the delivery of the proposed services.

The Applicant may propose new methods of delivering child care services (within the constraints of the current program policy).

The Applicant may propose a flexible delivery service which includes functions of the child care program that don't require the work to be performed in-state or on site.

6. Coordination of services

The Applicant must demonstrate the capability to coordinate services and to collaborate with other offices within the Department such as with the eligibility workers in the Benefit, Employment and Support Services Division (BESSD) and Med-Quest Division (MQD), the DHS social workers in the BESSD, and the Social Services Division (SSD), the State's Preschool Open Doors program, public agencies, private organizations, and child care providers in the communities.

The Applicant must demonstrate knowledge of agencies, organizations or groups where collaboration and coordination are necessary in order to deliver satisfactory services to all families.

The Applicant must provide a list of organizations, cooperating entities, and other key individuals and resources it will work with, along with a short description of the nature of their effort or contributions.

7. **Reporting requirements for program and fiscal data**

Expenditure reports. The Provider shall submit monthly expenditure reports for the operation of the program that serve as invoices for reimbursement. The form “Subgrantees Invoice and Expenditure Report” (SIER) shall be the official forms used for the contracted organization to request funds for the contract. The final invoice for the service shall be submitted no later than 30 days after the end of each fiscal year.

Quarterly program progress reports. The Provider shall submit quarterly reports to the State, no later than 30 days after the end of each quarter, that indicate the progress made towards the outcomes of the service and whether specified timelines are met. The reports shall also describe work accomplished, problems encountered and their resolution, and projections of activities for the next calendar quarter. See Section 5, Attachment D for the Quarterly Activity Report. Other reports may also be required and shall include but are not limited to:

Electronic copy of monthly quality assurance reports of the output and performance/outcome objectives, no later than thirty (30) days after the end of each reported month. The electronic report shall include at least the following: client and child names as well as corresponding identification numbers; each performance benchmark and review finding; the relevant systemic and case-specific corrective action plan; and corrective resolutions (which may require periodic updated files).

Final report. The final written summary of the fiscal year activities shall be submitted to the State no later than 45 days after the end of the fourth calendar quarter in a State fiscal year. This report shall include but not be limited to the total impact of this service and shall include information about the status of achieving the overall objective to lessen dependence on public assistance by helping to support eligible families Statewide in their employment, educational, and work training efforts, through participation in the child care subsidy program, a narrative summarizing the success of project activities, and recommendations to improve services for the next fiscal year.

The Provider shall comply with instructions from the State to generate or change any Quarterly (e.g.: Quarterly Activity Report (QAR)), Monthly, or additional reports based on reporting requirements related to this Agreement.

C. **Facilities**

The Provider is responsible to seek, lease, and furnish suitable facilities for the operation of these services. The Applicant will provide a description of its facilities and demonstrate its adequacy in relation to the proposed services.

Also describe how the facilities meet ADA requirements, as applicable and special equipment that may be required for the services.

2.5 COMPENSATION AND METHOD OF PAYMENT

Pricing structure or pricing methodology to be used

The DHS BESSD will use the cost reimbursement pricing structure. It reflects a purchase arrangement in which the State pays the Provider for the budgeted costs that are actually incurred in delivering the services specified in the contract, up to the stated maximum obligation. The budget amount for the operation of the services must not exceed the amount stated in the RFP. The SPO budget forms are to be used in preparing a proposal, and are available on the SPO website. Refer to Section 1.2, Website Reference for website address.

The Provider shall comply with the Chapter 103F, HRS Cost Principles for Purchase of Health and Human Services which can be found on the SPO website. Refer to Section 1.2 Website Reference for the website address. The Cost Principles represent guidelines in determining which types of expenditures will be reimbursed, payment dollar limits, payment policy constraints, and requirements for verification and documentation. Allowable costs to operate the program are reimbursable on a monthly basis after services are rendered.

The Provider selected shall abide by all the Federal regulations as legislated by Public Law 101-508, Omnibus Budget Reconciliation Act of 1990. Title VI of the Personal Responsibility and Work Opportunity Reconciliation Act (PRWORA) of 1996, P.L. 104-193, effective October 1, 1996, requires that any expenditure made or authorized by the organization selected to provide the service that is subsequently determined by the Federal government to be unallowable shall be repaid to the State or offset against any other funds to which the applicant is entitled.

No more than 5 percent of the aggregate amount of funds available may be expended for administrative costs or “indirect costs” in each fiscal year. The Provider selected must be able to detail how administrative costs or “indirect costs” can be directly attributed and allocated to direct services under this Agreement in order to request reimbursement for such administrative costs or “indirect costs” above the 5 percent limit, otherwise all administrative costs or “indirect costs” shall be subject to the 5 percent limit. Note that the term “administrative costs” do not include the costs of providing direct services.

Method of compensation and payment

The Provider shall submit monthly expenditure reports of the contract expenditures-to-date for the operation of the program that will serve as invoices for reimbursement to the DHS no later than thirty (30) calendar days after the end of each billing month. The “Subgrantee’s Invoice and Expenditure Report” (SIER) shall be the official form

used by the Provider to request funds for the operation of the service. Payments shall be made upon the submission of original monthly invoices based on expenditures for the services provided in accordance with the Scope of Services, and the line item costs identified on the SPO budget forms, not to exceed the total contract cost, upon review and additional verification as appropriate.

Allowable expenditures, in accordance with HRS 103F Cost Principles, incurred prior to the start of the contract period (July 1, 2016 or later), in order for services to start at the beginning of the contract period, may be included in first month's monthly invoice. No request shall be made or authorized for "start up or advance payment" prior to first month's invoice for services delivered.

Monthly payments after the first calendar quarter are conditional upon the receipt and preliminary approval by the STATE of the Quarterly Activity Reports (QAR) due no later than 30 days after the end of the previous calendar quarter and each subsequent monthly program report.

The STATE's preliminary determination of appropriateness and permissibility of the reported expenditures shall be subject to later verification and subsequent audit.

Performance Requirements and Penalty/Audit

The STATE shall randomly audit cases based on contract objectives to determine whether a penalty is imposed. The audited cases will be based on a scientific sample size determined by the Department's statistician or representative. The penalty for each objective will be realized after the end of the contract period for each State fiscal year, upon completion of twelve months of audits as determined by the Department. The PROVIDER shall incur a \$25,000.00 penalty for each objective that is not met.

Exceptions and Disallowances on Audits. For any audits completed by the Department of Human Services (DHS), the United States Department of Health and Human Services (DHHS), the State Auditor's office, the auditor conducting the PROVIDER's annual audit, the State shall be informed of any exceptions, fines, penalties or disallowances assessed for services provided through this Agreement. Where exceptions, fines, penalties or disallowances were the fault of the PROVIDER, the State may assess such exceptions, fines, penalties or disallowed costs from the PROVIDER. The STATE shall provide a written notice to the PROVIDER regarding the assessment of an audit disallowance, exception, fine or penalty against the STATE. The PROVIDER shall remit full payment to the STATE within 45 days of the date of the STATE'S written notice to the PROVIDER for the identified exception, fine, penalty or disallowance amount.

All exceptions, fines, penalties, or disallowances imposed on the STATE pursuant to services provided through this Contract are the responsibility of the PROVIDER and

shall be paid by the PROVIDER. No Departmental funds or funds paid under this Agreement shall be used to pay such exceptions, fines, penalties or disallowances.

Section 3

Proposal Application Instructions

Section 3

Proposal Application Instructions

General instructions for completing applications:

- *Proposal Applications shall be submitted to the state purchasing agency using the prescribed format outlined in this section.*
- *The numerical outline for the application, the titles/subtitles, and the applicant organization and RFP identification information on the top right hand corner of each page should be retained. The instructions for each section however may be omitted.*
- *Page numbering of the Proposal Application should be consecutive, beginning with page one and continuing through for each section. See sample table of contents in Section 5.*
- *Proposals may be submitted in a three ring binder (Optional).*
- *Tabbing of sections (Recommended).*
- *Applicants must also include a Table of Contents with the Proposal Application. A sample format is reflected in Section 5, Attachment B of this RFP.*
- *A written response is required for **each** item unless indicated otherwise. Failure to answer any of the items will impact upon an applicant's score.*
- *Applicants are **strongly** encouraged to review evaluation criteria in Section 4, Proposal Evaluation when completing the proposal.*
- *This form (SPOH-200A) is available on the SPO website (Refer to Section 1.2 Website Reference). However, the form will not include items specific to each RFP. If using the website form, the applicant must include all items listed in this section.*

The Proposal Application is comprised of the following sections:

- *Proposal Application Identification Form*
- *Table of Contents*
- *Program Overview*
- *Experience and Capability*
- *Project Organization and Staffing*
- *Service Delivery*
- *Financial*
- *Other*

3.1 Program Overview

Applicant shall give a brief overview to orient evaluators as to the program/services being offered. This section shall clearly and concisely summarize and highlight the contents for the proposal in such a way as to provide the DHS with a broad understanding of the entire proposal. Include a brief description of the applicant's organization, the goals and objectives related to the service activity, and how the proposed service is designed to meet the problem/need identified in the service specifications

3.2 Experience and Capability

A. Necessary Skills

The applicant shall demonstrate that it has the necessary skills, abilities, and knowledge relating to the delivery of the proposed services.

B. Experience

The applicant shall provide a description of services statewide taking into account the challenges of each island in a culturally sensitive manner. This includes but is not limited to, serving remote parts of the island, LEP population, self-employed population, retaining and supporting staff, contingencies for natural disaster, etc.

The applicant shall provide a description of projects/contracts pertinent to the proposed services. The applicant shall include all available contact information for this listing which should include project/contract identifying information as well as names, titles, addresses, telephone numbers, e-mail addresses, etc., of those individuals the State can contact to verify experience.

C. Quality Assurance and Evaluation

The applicant shall describe its own plans for quality assurance and evaluation for the proposed services, including methodology.

The applicant shall submit a quality assurance plan which includes the methodology for monitoring administrative and program functions; procedures for evaluation of performance including how outcomes of services will be measured and how effectiveness will be evaluated; as well as procedures to resolve problems and improve program as needed.

The applicant shall also include a written plan and procedures for evaluation of performance in providing the target group consistent, high quality services. The plan should illuminate how outcomes of the services will be measured and

effectiveness of the program will be evaluated and include procedures to identify and resolve problems, and make improvements to the program as needed. The applicants shall include appropriateness of deliverables such as progress reports, timelines and performance/outcome measures.

D. Coordination of Services

The applicant shall demonstrate the capability to coordinate services with other agencies and resources in the community.

The applicant shall demonstrate knowledge of agencies, organizations or groups where collaboration and coordination are necessary in order to deliver satisfactory services. The applicant will include information on how collaboration with these agencies, organizations or groups will help in successful service delivery. The applicant shall describe the agencies that it will coordinate its services with and indicate those with which it already has established partnerships. The applicant shall provide a list of organizations, cooperation entities, and other key individuals and resources it will work with, along with a short description of the nature of their effort or contribution.

E. Facilities

The applicant shall provide a description of its facilities and demonstrate its adequacy in relation to the proposed services. If facilities are not presently available, describe plans to secure facilities. Also describe how the facilities meet ADA requirements, as applicable, and the special equipment that may be required for the services.

3.3 Project Organization and Staffing

A. Staffing

1. Proposed Staffing

The applicant shall describe the proposed staffing pattern, client/staff ratio and proposed caseload capacity appropriate for the viability of the services. (Refer to the personnel requirements in Section 2, Service Specifications, as applicable.)

The applicant shall describe plans for continuity of service activities in the event of staff illness, medical emergencies, vacancies or other situations that result in program resources that are less than proposed and contracted for.

2. Staff Qualifications

The applicant shall provide the minimum qualifications (including experience) for staff assigned to the program. (Refer to the qualifications in Section 2, Service Specifications, as applicable)

B. Project Organization

1. Supervision and Training

The applicant shall describe its ability to supervise, train and provide administrative direction relative to the delivery of the proposed services.

2. Organization Chart

The applicant shall reflect the position of each staff and line of responsibility/supervision. (Include position title, name and full time equivalency) Both the “Organization-wide” and “Program” organization charts shall be attached to the Proposal Application.

3.4 Service Delivery

Applicant shall include a detailed discussion of the applicant’s approach to applicable service activities and management requirements from Section 2.4, Scope of Work, including (if indicated) a work plan of all service activities and tasks to be completed, related work assignments/responsibilities and timelines/schedules.

The applicant shall provide a description of their plans to implement the primary services and activities listed in Section 2.4 (Scope of Work) which includes, but is not limited to:

- A. The general plan for providing the required services;
- B. Description of how data will be collected and reported in order to meet reporting requirements and to assess quality assurance plans;
- C. Description of plans to measure outcomes of required services and to evaluate the effectiveness of the program, including plans for use of this data for program improvement, including but not limited to:
 - 1. Ensuring compliance with the output and performance/outcome measurements under 2.4.B.4;
 - 2. Ensuring implementation of corrective action plans developed by the Department and ensuring improvement in areas identified as weaknesses for any audit findings from Federal audits;
 - 3. Ensuring implementation of corrective action plans developed by the Department and ensuring improvement in areas identified as weaknesses for any audit findings from State audits;

4. Reducing the number and amount of overpayments issued to child care subsidy clients due to agency error; and
5. Ensuring adherence to Departmental policies and procedures by Provider's staff in implementation of services and the drafting of reports to support the Department's position in administrative appeal requests, hearings, and favorable decisions for the Department.

D. Description of plans for collaboration

3.5 Financial

A. Pricing Structure

Applicant shall submit a cost proposal utilizing the cost reimbursement pricing structure designated by the state purchasing agency. The cost proposal shall be attached to the Proposal Application.

The purchasing agency shall consider cost proposals based on "cost-type" or "pure reimbursement" pricing structures from the applicants who are not-for-profit or religious organizations licensed to do business in the State of Hawaii. "Cost-type" involves payment of all incurred costs within a predetermined total estimated amount.

The purchasing agency shall consider cost proposals based on "cost-plus-fixed-fee" from applicants who are for-profit organizations licensed to do business in the State of Hawaii. "Cost-plus-fixed-fee" allows for payment of all incurred costs within a predetermined amount, plus an agreed upon fee that will not change. We anticipate these fees to be limited to 10% or less of the contract award. Also, fees need to be built within the contract ceiling. Please note, however, that the Department reserves the right to negotiate the final amount of fixed-fee within the limits discussed above.

No more than 5 percent of the aggregate amount of funds available may be expended for administrative costs or "indirect costs" in each fiscal year. The Provider selected must be able to detail how administrative costs or "indirect costs" can be directly attributed and allocated to direct services under this Agreement in order to request reimbursement for such administrative costs or "indirect costs" above the 5 percent limit, otherwise all administrative costs or "indirect costs" shall be subject to the 5 percent limit. Note that the term "administrative costs" do not include the costs of providing direct services.

The purchasing agency shall select the applicable cost proposal subject to the legal standing of the applicant organization, e.g., not-for-profit, religious, or for-profit, that is in the best interest of the State.

All budget forms, instructions and samples are located on the SPO website. Refer to Section 1.2, Websites References for website address. Special Instructions for

Forms SPO-H 205A and SPO-H 205B are located in Section 5, Attachments. The following budget form(s) shall be submitted with the Proposal Application:

SPO-H-205	Budget
SPO-H-205A	Organization-Wide Budget by Source of Funds
SPO-H-205B	Organization-Wide Budget by Programs
SPO-H-206A	Budget Justification - Personnel: Salaries & Wages
SPO-H-206B	Budget Justification - Personnel: Payroll Taxes, Assessment & Fringe Benefits
SPO-H-206C	Budget Justification - Travel – Inter-island
SPO-H-206E	Budget Justification - Contractual – Administrative
SPO-H-206F	Budget Justification - Contractual – Sub-contract
SPO-H-206G	Budget Justification - Depreciation
SPO-H-206H	Budget Justification - Program Activities
SPO-H-206I	Budget Justification - Equipment Purchases*

*Expenditures require justification and prior approval from the state.

Pricing Structure to Include Penalties

There may be up to a \$75,000 penalty imposed if certain objectives are not met.

The Provider shall incur a \$25,000 penalty for each of the following if these objectives are not met:

- A. Less than 90% of the approved applications that are received and reviewed were processed and completed within 30 calendar days.
- B. Less than 90% of the on-going cases processed and completed have correct payment determinations.
- C. Less than 90% of the statewide child care cases have the required eligibility forms, verifications and documentations to determine eligibility and correct benefits.

The penalty amount shall be the sole responsibility of the Provider and shall not be charged to the contract. The final payment for each contract period up to the penalty amount shall be withheld until a determination is made that the penalties apply. Penalties shall be taken out of the amount withheld. Should the amount withheld still not satisfy the penalty assessed, the Provider shall pay the balance of the penalty to the State within two months of the end of the contract period, or the State may deduct the remaining penalty amount from subsequent contract payments, if the contract is extended.

B. Other Financial Related Materials

- 1. Accounting System

To determine the adequacy of the applicant's accounting system as described under the administrative rules, the following documents are requested as part of the Proposal Application (may be attached):

- a. The applicant is to submit the organization's financial statements.
- b. The applicant is to submit a copy of the organization's financial policies that relate to the expenditure of funds for this project.

3.6 Other

A. Litigation

The applicant shall disclose and explain any pending litigation to which they are a party, including the disclosure of any outstanding judgment.

Section 4

Proposal Evaluation

Section 4

Proposal Evaluation

4.1 Introduction

The evaluation of proposals received in response to the RFP will be conducted comprehensively, fairly and impartially. Structural, quantitative scoring techniques will be utilized to maximize the objectivity of the evaluation.

4.2 Evaluation Process

The procurement officer or an evaluation committee of designated reviewers selected by the head of the state purchasing agency or procurement officer shall review and evaluate proposals. When an evaluation committee is utilized, the committee will be comprised of individuals with experience in, knowledge of, and program responsibility for program service and financing.

The evaluation will be conducted in three phases as follows:

- Phase 1 - Evaluation of Proposal Requirements
- Phase 2 - Evaluation of Proposal Application
- Phase 3 - Recommendation for Award

Evaluation Categories and Thresholds

Evaluation Categories

Possible Points

Administrative Requirements

Proposal Application

100 Points

Program Overview	0 points
Experience and Capability	20 points
Project Organization and Staffing	15 points
Service Delivery	55 points
Financial	10 Points

TOTAL POSSIBLE POINTS

100 Points

4.3 Evaluation Criteria

A. Phase 1 - Evaluation of Proposal Requirements

Final proposals submitted shall include all of the following documents to be accepted for consideration for this RFP.

Exclusion of any of the required documents below as part of the submitted final proposal shall disqualify the applicant from selection consideration.

1. Administrative Requirements

	Meets	
	Yes	No
Application Checklist	<input type="checkbox"/>	<input type="checkbox"/>
Hawaii Compliance Express Certificate of Vendor Compliance	<input type="checkbox"/>	<input type="checkbox"/>

2. Proposal Application Requirements

	Meets	
	Yes	No
• Proposal Application Identification Form (Form SPOH-200)	<input type="checkbox"/>	<input type="checkbox"/>
• Table of Contents	<input type="checkbox"/>	<input type="checkbox"/>
• Program Overview	<input type="checkbox"/>	<input type="checkbox"/>
• Experience and Capability	<input type="checkbox"/>	<input type="checkbox"/>
• Project Organization and Staffing	<input type="checkbox"/>	<input type="checkbox"/>
• Service Delivery	<input type="checkbox"/>	<input type="checkbox"/>
• Financial (All required forms and documents)		
a. SPO-H-205 Budget	<input type="checkbox"/>	<input type="checkbox"/>
b. SPO-H-205A Organization-Wide Budget by Source of Funds	<input type="checkbox"/>	<input type="checkbox"/>
c. SPO-H-205B Organization-Wide Budget by Programs	<input type="checkbox"/>	<input type="checkbox"/>
d. SPO-H-206A Budget Justification - Personnel: Salaries & Wages	<input type="checkbox"/>	<input type="checkbox"/>
e. SPO-H-206B Budget Justification - Personnel: Payroll Taxes, Assessment & Fringe Benefits	<input type="checkbox"/>	<input type="checkbox"/>
f. SPO-H-206C Budget Justification - Travel – Inter-island	<input type="checkbox"/>	<input type="checkbox"/>
g. SPO-H-206E Budget Justification - Contractual – Administrative	<input type="checkbox"/>	<input type="checkbox"/>
h. SPO-H-206F Budget Justification - Contractual – Sub-contract	<input type="checkbox"/>	<input type="checkbox"/>
i. SPO-H-206G Budget Justification – Depreciation	<input type="checkbox"/>	<input type="checkbox"/>
j. SPO-H-206H Budget Justification - Program Activities	<input type="checkbox"/>	<input type="checkbox"/>
k. SPO-H-206I Budget Justification - Equipment Purchases*	<input type="checkbox"/>	<input type="checkbox"/>

*Expenditures require justification and prior approval from the state.

“Cost-plus-fixed-fee” not to exceed 10% (may be less)	<input type="checkbox"/>	<input type="checkbox"/>
Administrative costs and indirect costs not to exceed 5%	<input type="checkbox"/>	<input type="checkbox"/>

	Meets	
	Yes	No
• Program Specific Requirements		
a. Organizational Chart(s)	<input type="checkbox"/>	<input type="checkbox"/>
b. Financial Policies	<input type="checkbox"/>	<input type="checkbox"/>

**B. Phase 2 - Evaluation of Proposal Application
(100 Points)**

Scoring for each bulleted item identified below is assigned a value of 0 through 5 points. The following is an explanation of the point assignments:

- 5 = Very satisfactory.** Fully addresses the criteria succinctly that provides basis and explanation for the response, and demonstrates benefits to the State.
- 4 = More than satisfactory.** Fully addresses the criteria, but tends to be lengthy or does not fully provide basis or explanation for the response or benefits to the State.
- 3 = Satisfactory.** Minimally addresses the criteria by listing or affirming meeting the criteria through paraphrasing the criteria. May provide some basis and explanation for responses.
- 2 = Less than satisfactory.** May address parts of the criteria, but not the criteria as a whole.
- 1 = Unsatisfactory.** Provides response for the criteria, but does not address the criteria.
- 0 = Not addressed.** Does not provide a response for the criteria.

Each section listed below shall be evaluated using the following criteria:

Weighted points (0-5) for each sub-area will be given. The sum of weighted points given by the evaluators in all areas of each section will be divided by the maximum weighted points that could be allotted for that area. This quotient will be multiplied by the points assigned to each area, which is noted in parenthesis. The product will be the score for that area.

Program Overview: No points are assigned to Program Overview. The intent is to give the applicant an opportunity orient evaluators as to the service(s) being offered.

1. Experience and Capability (20 Points)

The State will evaluate the applicant's experience and capability relevant to the proposal contract, which shall include:

A. Necessary Skills

- Demonstrated skills, abilities, and knowledge relating to the delivery of the proposed services. _____
- Demonstrated thorough understanding of the purpose and scope of the service activity. _____
- Demonstrated skills to write branch reports and to respond to requests for case information and legal proceedings. _____

B. Experience

- Demonstrated experience related to the delivery of the proposed service. _____
- Described projects/contracts implemented in the last 5 years that are pertinent to the proposed service. _____
- Demonstrated experience gathering and reporting performance data. _____
- Demonstrated ability to develop and distribute written material regarding the child care subsidy program. _____
- Demonstrated ability to provide parents information about resources and parenting information. _____
- Demonstrated ability to reduce barriers to receiving subsidy. _____

C. Quality Assurance and Evaluation

- Sufficiency of quality assurance and evaluation plans for the proposed services. _____
- Describe how cases will be reviewed to ensure that policies and procedures are being followed and how findings including any corrections, will be reported to the program specialist. _____
- Describe how monthly review of cases will be conducted to ensure accuracy, timeliness, effectiveness as well as steps taken to reduce errors. _____

D. Coordination of Services

- Demonstrated capability to coordinate services with other agencies and resources in the community.

- Demonstrated capability to collaborate and coordinate with DHS to develop and maintain an effective training certification plan and curriculum.

- Describes procedures to maintain close coordination with the Department's Child Care Resource and Referral contract service provider to provide consumer education services to subsidy families.

E. Facilities

- Adequacy of facilities relative to the proposed services.

- Describes in detail plans to have a full time office on Kauai, Oahu, Maui, East Hawaii and West Hawaii and how services will be provided on the islands of Molokai and Lanai.

2. *Project Organization and Staffing (15 Points)*

The State will evaluate the applicant's overall staffing approach to the service that shall include:

A. *Staffing*

- Proposed Staffing: That the proposed staffing pattern, client/staff ratio, and proposed caseload capacity is reasonable to ensure viability of the services.

- Staff Qualifications: Minimum qualifications (including experience) for staff assigned to the program.

- Describes a clearly detailed and viable plan for obtaining necessary staff which includes plans for continuity of service activity which describes and ensures that services will be provided with no interruptions when assigned staff are unavailable, including how services will be provided on the islands of Molokai and Lanai.

- Describes adequate staffing and maintain an effective training certification plan and training curriculum to train and certify new hire contract staff and those needing refresher sessions

B. Project Organization

- Supervision and Training: Demonstrated ability to supervise, train and provide administrative direction to staff relative to the delivery of the proposed services.
- Organization Chart: Approach and rationale for the structure, functions, and staffing of the proposed organization for the overall service activity and tasks.

3. Service Delivery (55 Points)

Evaluation criteria for this section will assess the applicant's approach to the service activities and management requirements outlined in the Proposal Application. The evaluation criteria may also include an assessment of the logic of the work plan for the major service activities and tasks to be completed, including clarity of work assignments and responsibilities, carrying out the management requirements, and the realism of the timelines and schedules, as applicable. They include the extent to which the proposal:

- Describes the program goals and objectives that are consistent with those identified in the RFP, overall program content and design, and demonstrate an understanding of the target group and provisions of services.
- Describes management oversight of the project, including clarity of work assignments and responsibilities at the various sites.
- Describes work plan for program implementation that is logical, reasonable, and attainable.
- Describes collaboration with DHS and other community resources.
- Demonstrates experience with and plan for handling customer service and complaints.
- Describes plan to process applications and redeterminations for ongoing cases while incorporating all required activities described in the scope.

- Describes plan for a smooth transition with uninterrupted service from the existing caseload maintained by the current Provider to the new Provider. _____
- Describes plans to promote access to child care services and subsidy program _____
- Description of plans to measure outcomes of required services and to evaluate the effectiveness of the program, including plans for use of this data for program improvement, including but not limited to: _____
 - Ensuring compliance with the output and performance/outcome measurements under 2.4.B.4; _____
 - Ensuring implementation of corrective action plans developed by the Department and ensuring improvement in areas identified as weaknesses for any audit findings from Federal audits; _____
 - Ensuring implementation of corrective action plans developed by the Department and ensuring improvement in areas identified as weaknesses for any audit findings from State audits; _____
 - Reducing the number and amount of overpayments issued to child care subsidy clients due to agency error; and _____
 - Ensuring adherence to Departmental policies and procedures by Provider's staff in implementation of services and the drafting of reports to support the Department's position in administrative appeal requests, hearings, and favorable decisions for the Department. _____

5. Financial (10 Points)

Pricing structure based on cost reimbursement

Personnel costs are reasonable and comparable to positions in the community. Non-personnel costs are reasonable and adequately justified. The budget fully supports the scope of service and requirements of the Request for Proposal.

- Provides the most recent audit report. _____
- Demonstrated solid financial stability and accounting practices. _____
- Adequacy of accounting system. _____

B. Phase 3 - Recommendation for Award

Each notice of award shall contain a statement of findings and decision for the award or non-award of the contract to each applicant.

Section 5

Attachments

- A. Proposal Application Checklist
- B. Sample Table of Contents
- C. Special Conditions
- D. Quarterly Activity Report

Proposal Application Checklist

Applicant: _____ RFP No.: HMS-302-16-01-S

The applicant's proposal must contain the following components in the order shown below. Return this checklist to the purchasing agency as part of the Proposal Application. SPOH forms are on the SPO website.

Item	Reference in RFP	Format/Instructions Provided	Required by Purchasing Agency	Applicant to place "X" for items included in Proposal
General:				
Proposal Application Identification Form (SPOH-200)	Section 1, RFP	SPO Website*	X	
Proposal Application Checklist	Section 1, RFP	Attachment A	X	
Table of Contents	Section 5, RFP	Section 5, RFP	X	
Proposal Application (SPOH-200A)	Section 3, RFP	SPO Website*	X	
Provider Compliance	Section 1, RFP	SPO Website*	X	
Cost Proposal (Budget)				
SPO-H-205	Section 3, RFP	SPO Website*	X	
SPO-H-205A	Section 3, RFP	SPO Website* Special Instructions are in Section 5	X	
SPO-H-205B	Section 3, RFP,	SPO Website* Special Instructions are in Section 5	X	
SPO-H-206A	Section 3, RFP	SPO Website*	X	
SPO-H-206B	Section 3, RFP	SPO Website*	X	
SPO-H-206C	Section 3, RFP	SPO Website*	X	
SPO-H-206D	Section 3, RFP	SPO Website*		
SPO-H-206E	Section 3, RFP	SPO Website*	X	
SPO-H-206F	Section 3, RFP	SPO Website*	X	
SPO-H-206G	Section 3, RFP	SPO Website*	X	
SPO-H-206H	Section 3, RFP	SPO Website*	X	
SPO-H-206I	Section 3, RFP	SPO Website*	X	
SPO-H-206J	Section 3, RFP	SPO Website*		
Certifications:				
Federal Certifications		Section 5, RFP		
Debarment & Suspension		Section 5, RFP		
Drug Free Workplace		Section 5, RFP		
Lobbying		Section 5, RFP		
Program Fraud Civil Remedies Act		Section 5, RFP		
Environmental Tobacco Smoke		Section 5, RFP		
Program Specific Requirements:				
Organizational Chart(s)	Section 3, RFP		X	
Financial Policies	Section 3, RFP		X	

*Refer to Section 1.2, Website Reference for website address.

Attachment B

Sample Proposal Table of Contents

Proposal Application

Table of Contents

1.0	Program Overview	1
2.0	Experience and Capability	1
	A. Necessary Skills	2
	B. Experience.....	4
	C. Quality Assurance and Evaluation.....	5
	D. Coordination of Services.....	6
	E. Facilities.....	6
3.0	Project Organization and Staffing	7
	A. Staffing.....	7
	1. Proposed Staffing	7
	2. Staff Qualifications	9
	B. Project Organization	10
	1. Supervision and Training	10
	2. Organization Chart (Program & Organization-wide) (See Attachments for Organization Charts)	
4.0	Service Delivery.....	12
5.0	Financial.....	20
	See Attachments for Cost Proposal	
6.0	Litigation.....	20
7.0	Attachments	
	A. Cost Proposal	
	SPO-H-205 Proposal Budget	
	SPO-H-205A Organization-Wide Budget by Source of Funds	
	SPO-H-205B Organization-Wide Budget by Programs	
	SPO-H-206A Budget Justification - Personnel: Salaries & Wages	
	SPO-H-206B Budget Justification - Personnel: Payroll Taxes and Assessments, and Fringe Benefits	
	SPO-H-206C Budget Justification - Travel: Interisland	
	SPO-H-206E Budget Justification - Contractual Services – Administrative	
	SPO-H-206F Budget Justification - Contractual – Sub-contract	
	SPO-H-206G Budget Justification - Depreciation	
	SPO-H-206H Budget Justification - Program Activities	
	SPO-H-206-I Budget Justification - Equipment Purchases	
	B. Other Financial Related Materials	
	Financial Audit for fiscal year ended June 30, 2015	
	Organization Chart - Program	
	Organization-wide Chart	
	Financial Policies	
	C. Performance and Output Measurement Tables	
	Table A	
	Table B	
	Table C	

Attachment C

Special Conditions

SPECIAL CONDITIONS

1. **Insurance.** In addition to Paragraph 1.4, Insurance Requirements, General Conditions, the PROVIDER further agrees to the following:

The Provider shall maintain insurance acceptable to the State in full force and effect throughout the term of this contract, until the State certifies that the Contractor's work has been completed satisfactorily.

The policy or policies of insurance maintained by the Provider shall provide the following limit(s) and coverage:

Coverage	Limits
Commercial General Liability (occurrence form)	\$2,000,000 combined single limit per occurrence for bodily injury and property damage
Automobile	Bodily injury - \$1,000,000 per person \$1,000,000 per occurrence Property damage - \$1,000,000 per accident
Professional Liability, if applicable	\$1,000,000 per claim \$2,000,000 annual aggregate

The type of insurance policy shall be on an occurrence basis, rather than claims made.

Each insurance policy required by this contract shall contain the following clauses:

1. *"The State of Hawaii is added as an additional insured with respect to operations performed for the State of Hawaii."*
2. *"It is agreed that any insurance maintained by the State of Hawaii shall apply in excess of, and not contribute with, insurance provided by this policy."*

Each insurance policy shall be written by insurance companies licensed to do business in the State or meet Section 431:8-301, HRS, if utilizing an insurance company not licensed by the State of Hawaii.

Automobile liability insurance shall include excess coverage for the Provider's employees who use their own vehicles in the course of their employment.

The Provider agrees to deposit with the State of Hawaii, on or before the effective date of this contract, certificate(s) of insurance necessary to satisfy the State that the insurance provisions of this contract have been complied with and to keep such insurance in effect and the certificate(s) therefore on deposit with the State during the entire term of this contract. Upon request by the State, Provider shall furnish a copy of the policy or policies.

The Provider shall immediately provide written notice to the contracting department or agency should any of the insurance policies be cancelled, limited in scope, or not be renewed upon expiration.

Failure of the Provider to provide and keep in force such insurance shall be regarded as material default under this contract, entitling the State to exercise any or all of the remedies provided in this contract for a default of the Provider.

The procuring of such required policy or policies of insurance shall not be construed to limit Provider's liability hereunder nor to fulfill the indemnification provisions and requirements of this contract. Notwithstanding said policy or policies of insurance, Provider shall be obliged for the full and total amount of any damage, injury, or loss caused by negligence or neglect connected with this contract.

If the Provider is authorized by the Benefit, Employment and Support Services Division to subcontract, subcontractor(s) is not excused from the indemnification and/or insurance provisions of this contract. In order to indemnify the State, the Provider agrees to require its subcontractor(s) to obtain insurance in accordance with the insurance provisions of this contract.

2. **Confidential Information.** In addition to Paragraph 2.1, Confidentiality of Material, General Conditions, the Provider further agrees to the following:

All information and records about or for the clients served, secured from clients, the STATE, or any other individuals or agencies by the Provider, or prepared by the Provider for the STATE, in satisfaction of this Agreement, shall be confidential and shall not be made available to any individual or organization by the Provider without prior written approval of the STATE, subject to provisions of applicable State of Hawaii and Federal statutes, and State of Hawaii Administrative Rules. To ensure the confidentiality of all such information and records, the Provider shall immediately notify the STATE when inquiries for information, including subpoenas are made to the Provider. The Provider shall submit copies of all written requests for information, as well as subpoenas, to the STATE.

3. **Maintain Records.** In addition to Paragraph 2.3, Records Retention, General Conditions, The Provider further agrees as follows:

The Provider shall maintain statistical, clinical, and administrative records pertaining to services of this Agreement. The records shall be subject at all reasonable times to inspection or review by the STATE or Federal representatives directly connected with the program area under this Agreement. All records shall be retained and made accessible for a minimum of six years after the date of submission of the Provider's final report to the STATE; provided that, in the event any litigation, claim, negotiation, investigation, audit, or other action involving the records has been started before the expiration of the 6-year period, the Provider shall retain the records until completion of the action and resolution of all issues that arise from it or until the end of the regular 6-year retention period, whichever occurs later.

4. Modification and Termination of Agreement

- a. Paragraph 4.2, Termination in General, General Conditions, is modified to read as follows:

This Agreement may be terminated in whole or in part because of a reduction of funds available to pay the Provider, or when, in its sole discretion, the STATE determines (i) that there has been a change in the conditions upon which the need for the Required Services was based, or (ii) that the Provider has failed to provide the Required Services adequately or satisfactorily, or (iii) that other good cause for the whole or partial termination of this Contract exists. Termination under this section shall be made by a written notice sent to the Provider thirty (30) days prior to the termination date that includes a brief statement of the reason for the termination. If the Agreement is terminated under this paragraph, the Provider shall cooperate with the STATE to effect an orderly transition of services to clients.

- b. Paragraph 4.3, Termination for Necessity or Convenience, General Conditions, is modified to read as follows:

If the STATE determines, in its sole discretion, that it is necessary or convenient, this Agreement may be terminated in whole or in part at the option of the STATE upon thirty (30) days' written notice to the Provider. If the STATE elects to terminate under this paragraph, the Provider shall be entitled to reasonable payment as determined by the STATE for satisfactory services rendered under this Agreement up to the time of termination. If the STATE elects to terminate under this section, the Provider shall cooperate with the STATE to effect an orderly transition of services to clients.

5. Equipment

All equipment purchased with contract funds under this Agreement including items of personal property, as distinguished from real property, that has an acquisition cost of \$250.00 or more per item and with an expected life of more than one year, shall remain the property of the STATE. All equipment purchased with contract funds must have prior approval from the STATE before purchase to be allowable. Following the Agreement period, all equipment shall be reported in the final fiscal report to the STATE. Disposition of said equipment shall be prescribed by the STATE.

6. Federal Audit Requirement

The Provider, when required, shall have an independent certified public accountant conduct a financial and compliance audit in accordance with the guidelines of the Office of Management and Budget (OMB) Circular No. A-133, "Revised, Audit Requirements for the State, Local Governments, and Non-Profit Organizations."

7. Administrative Costs

Limit the administrative costs, which do not include the cost of providing direct services, for this Agreement to not more than 5% of the aggregate amount of funds available for this contract in accordance with Public Law 104-193, the federal law governing the Child Care Development Fund.

8. Interpreter Services

The Provider:

Shall provide interpreters for persons with limited English proficiency to ensure equal access to services;

Shall notify applicants, potential applicants, and recipients of services of their right to free interpreter services;

Is prohibited from requiring applicants, potential applicants, or clients to bring their own interpreters with them to interviews or other appointments, even though this is what they might prefer to do;

Shall document the offer of language assistance services and whether the individual accepted or declined the services; and

Shall submit a quarterly Limited English Proficiency (LEP) Report on a form provided by the Department that shall include at a minimum:

- A. Number of LEP individuals who were offered language assistance services, and from that number, how many declined or required language assistance services;
- B. Primary language spoken by each LEP person;
- C. Type of interpreter service provided; and
- D. Name of interpreter (and agency, if applicable).

Attachment D

Quarterly Activity Reports

QUARTERLY ACTIVITY REPORT

Department of Human Services
0Benefit, Employment & Support Services Division
1Child Care Program Office

Reporting Quarter: ____ 1st; ____ 2nd; ____ 3rd; ____ 4th. Fiscal Year: ____ 2017-2018

Provider: _____ Contract No: _____

Program Name: Child Care Application/Payment Processing

Geographic Region (Statewide, Oahu, Kauai, East Hawaii, West Hawaii, Maui County): _____

I. SERVICES PURCHASED:

SERVICE UNIT	Annual Goal	SERVICE UNITS DELIVERED DURING THE QUARTER			
		1st	2nd Month	3rd Month	YTD Total
1. Applications received	N/A				
2. Applications processed	1000				
3. Applications processed over 30 days	N/A				
4. Applications pending	N/A				
5. Applications pending over 30 days	N/A				
6. Applications approved	N/A				
7. Applications denied	N/A				
8. SRFs processed	N/A				
9. ERs processed	N/A				

II. OTHER:

1. How many requests made to speak to the supervisor (clarification, disagreement, etc.) by phone or in person this quarter?

2. How many requests for administrative appeals received in this quarter?

3. How many branch reports were completed in this quarter?

4. How many administrative appeal decisions were in the Department's favor?

III. PEOPLE TO BE SERVED

(Use groups as identified in Form A of the Contract/Agreement - PEOPLE TO BE SERVED)

PEOPLE TO BE SERVED	Annual Goal Proposed to be served for contract year (unduplicated).	Actual # of persons/families (unduplicated)	
		This Quarter	Cumulative YTD
1. Number of families receiving child care subsidies	5000		
2. Number of children receiving child care subsidies	8000		

IV.a. SERVICES (Use Services identified in **Form B** of the Contract/Agreement - SERVICES)

SERVICES	Annual Goal Proposed services for contract year.	Actual # of Activities Performed (unduplicated)	
		This Quarter	Cumulative YTD
1. Interviews conducted within 30 days			
2. Applications completed within 30 days			
3. Number of families requiring assistance with completing applications (excluding LEP services)			
4. Number of applications audited			
5. Number of applications audited with correct disposition			
6. Number of ongoing cases audited			
7. Number of ongoing cases audited with correct payment			
8. Number of overpayment cases <i>*see attached list</i>			
9. Number of underpayment cases 10. <i>*see attached list</i>			
11. Number of LEP services			

List of cases of cases with overpayments:

List of cases with overpayments:

IV.b. **SERVICES** (continued) - Additional Explanation of SERVICES and activities:

V.a. **OUTCOMES** (Use Outcome indicators from **Form C** of the Contract/Agreement - OUTCOMES)

OUTCOMES	ACHIEVEMENT OF PROPOSED OUTCOMES				
	Proposed Annual	This Quarter		Cumulative YTD	
	% Achieved	% Achieved	# of Clients	%	#
1. Initial applications completed within 30 days of submittal	90%				
2. Ongoing cases with correct benefit amount issued	90%				
3. Ongoing cases with required forms, verification, & documentation	90%				

Note: Explanations for problems in meeting program objectives should be recorded in the next section of the report

V.b. **OUTCOMES** (continued) - Explain any problems in meeting program objectives.
(If the percent is 10% less than anticipated, provide an explanation. Use additional sheets if necessary.)

VI. **MAJOR ACCOMPLISHMENTS DURING THIS QUARTER**
(Use additional sheets, if necessary.)

VII. **PROBLEMS ENCOUNTERED DURING QUARTER AND CORRECTIVE ACTION TAKEN**

(Use additional sheets, if necessary.)

VIII. **STAFF CHANGES DURING QUARTER**

Attach Quarterly Staffing Changes (Form OSC 1)

IX. **PLANS FOR NEXT QUARTER**

Plans include anything new that provider will incorporate into the program.

(Use additional sheets, if necessary.)

Report prepared/submitted by:

Print Name

Title

Signature

Date

QUARTERLY STAFFING CHANGES

Attach a copy to the Quarterly Activity Report (DHS Form QAR 1)

1) Fiscal Year: <u>20</u> - <u>20</u>	2) Quarter: <u> </u> 1 st <u> </u> 2 nd <u> </u> 3 rd <u> </u> 4 th
3) Provider Name:	
4) Program Name:	
5) Funding Dept:	6) Contract #:

STAFFING CHANGES FROM CONTRACT (new hires, terminations, changes in salary)					
0A. <i>Employee Name</i>	0B. Title or Position	C. Previous Salary	D. New Salary	E. Effective Date	1F. Reason for Change